



ACS

newsletter

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In this Issue

2

Retirement Abroad

Retirement abroad requires careful planning. Here are some important steps to take before you go.

4

Travel Tips for Older Americans

An increasing number of older U.S. citizens are traveling abroad. The U.S. Department of State wants you to be prepared so that you can relax and enjoy your trip. Please consider the following tips as you plan your travel.

5

Foreign Bank Account Report (FBAR)

The IRS takes the FBAR very seriously, and the penalties for not filing an FBAR are severe. Read on for further information...

Retirement Abroad



Check Visa and Residency Requirements: Immigration and residency laws differ greatly from country to country. Determine if you need a visa to enter and reside in the country where you want to retire by reviewing the Department of State's Country Specific Information on our website (www.travel.state.gov). If dual citizenship is an option for you, review our online information on dual nationality (manila.usembassy.gov/service/dual-nationality.html) before taking this step.

Know the Local Laws: Seek professional legal advice before settling abroad. Determine whether your trust, will, and powers of attorney may be legally enforceable in your country of destination. In addition to your lawyer in the United States, the U.S. embassy or consulate can provide you with a list of local English-speaking lawyers willing to assist U.S. citizens (manila.usembassy.gov/wwwha004.html#List). Especially in local real estate matters, it is important to understand any contracts you are asked to sign. Review the local traffic laws and licensing requirements if you intend to drive. Some countries have a changeable political environment with more opaque legal systems. Be sure to find out what civil liberties and political rights you will have as a foreign resident.

Prepare Your Finances: Determine your retirement budget, and allow for exchange rate fluctuations and inflation. You may want to meet with a financial adviser before you go and con-

sider such things as opening a local bank account.

Retirement abroad requires careful planning. Here are some important steps to take before you go.

Pay Your Taxes: Leaving the country does not exempt U.S. citizens from their U.S. tax obligations. While some retirees may not owe any U.S. income tax while they are living abroad, you must still file a return annually with the IRS. This is the case even if you move all of your assets to a foreign country; you may still be taxed on income regardless of where it is earned.

Retirees abroad must also fulfill any tax obligations of their foreign country of residence. The United States has tax treaties with a number of countries that address double taxation, but these treaties generally don't exempt residents from the obligation to file a return. Retirees who acquire any assets abroad should also consider the need to modify estate plans, since those assets may be subject to local estate tax rules. Insurance is another factor to consider with assets acquired overseas. Most U.S. umbrella liability policies don't cover international assets. For more information please review the IRS website (www.irs.gov).

Understand your Social Security Benefits: If you are thinking about retiring abroad, find out if you can receive your Social Security or other federal agency benefits outside the United States. Social Security Administration's Office of International Operations (www.ssa.gov/foreign) provides such information and consular officers at the nearest U.S. embassy or consulate can also assist you.



Retirement Abroad

Continued...

Research Medical Care and Costs: Healthcare tops the list of concerns for many U.S. citizens who are thinking about moving abroad. Medicare does not cover healthcare overseas. Many countries have national health systems, but it is important to investigate availability and quality beforehand. Note that environmental conditions at your overseas destination may contribute to specific health concerns, particularly if you are sensitive to altitude, air pollution, humidity, or other conditions. Consult with your physician prior to your move overseas to identify your healthcare needs at your retirement destination. We highly recommend that you get health insurance to cover private medical and dental treatment and for medical evacuation to the United States just in case. For more tips related to health issues visit our website, www.travel.state.gov.

Research Accessibility and Accommodations: If you have mobility difficulties or use a wheelchair, determine access to areas such as swimming pools, public facilities, restaurants, bars, toilets, etc. Determine if shopping and entertainment are accessible. For more information on traveling with disabilities, visit our website (www.travel.state.gov).

You're Still Eligible to Vote: U.S. citizens 18 years or older who reside outside the United States are generally eligible to vote absentee in U.S. elections. In addition to voting for candidates for federal offices, voters from some states may be eligible to vote in elections for state and local offices and referendums. You can find more information about voting overseas on our website (www.fvap.gov).

Beware of Scams: Retirement funds are an attractive target for scammers who make false promises of romance, friendship, or financial gain. Scammers operate primarily via the internet, email, and phone. Information on scams common in your destination country can also be found in each coun-

try's Country Specific Information on our website, www.travel.state.gov.

Prepare for Emergencies: Leave emergency contact information and a copy of your passport biographic data page with family and trusted friends. Keep a copy of the biographic page of your passport in your wallet, and another one in your hotel safe. Carry emergency contact information for your family in the United States with you when you travel (be sure to also pencil it in the emergency contact information section of your passport). Know the contact information for the nearest U.S. embassy or consulate and provide that information to your family and friends. If there is an emergency where you are staying, such as civil unrest, disrupted transportation, or a natural disaster, prevent undue worry or concern by contacting your family and friends as soon as possible.

Stay Connected: A secure way to maintain your emergency contact information is to enroll with Smart Traveler Enrollment Program. Visit our website to enroll. Your information is stored securely and enables the Department of State, U.S. embassy, or consulate to contact you, your family, or your friends in an emergency according to your wishes ■



The Bureau of Consular Affairs in the U.S. Department of State has no higher responsibility than safeguarding our country's citizens. To find out more about the services we provide, go to www.travel.state.gov.



Travel Tips for Older Americans



An increasing number of older U.S. citizens are traveling abroad. The U.S. Department of State wants you to be prepared so that you can relax and enjoy your trip. Please consider the following tips as you plan your travel.

Travel Documents: Apply for a passport at least three months before you travel. If you have one, be sure to check the passport's expiration date and entry requirements for the countries you will be visiting. Some countries require that passports be valid for six months after your trip ends and some foreign countries require that U.S. travelers obtain a visa. Visit the Country Specific Information pages on manila.usembassy.gov or www.travel.state.gov, for entry information for foreign countries.

Local Conditions: Extremes in climate can adversely affect the health of some travelers, as can travel to high altitude locations. As you travel, ask your tour operator or hotel about local conditions, including recommendations about taxis and other transportation options, restaurants, and the safety of local drinking water. Information on safe food and water precautions may be obtained from the Centers for Disease Control and Prevention's (CDC) hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747) or at www.cdc.gov. You can find more information about particular food safety concerns on www.travel.state.gov.

Travel Smart: Pack lightly and learn what clothing is appropriate for your destination. Be aware that physical activity undertaken during travel can affect you, and sudden changes in diet and climate can have serious health consequences for the unprepared traveler, no matter your age. Build ample personal time into your itinerary,

whether to catch up to a current time zone or to enjoy an extra travel site.

Financial Information: Understand the financial system and know the currency rates at your travel destination. Tell your bank or credit card company of your travel plans so that its security measures do not freeze your account. Often they will block a card if they see unfamiliar patterns of use, and they don't know you are on a foreign trip. Ask if your bank has any branches at your travel destination or international banking partners where you could safely deposit or withdraw funds as needed. Review the crime section of our Country Specific Information pages for the countries you will visit at www.travel.state.gov to review the financial and ATM scams that may be targeting foreign visitors. If ATM service is not widely available or is not secure, bring travelers checks and one or two major credit cards instead of planning to use cash. Many banks in most countries will issue cash advances from major credit cards. Ask your bank if there is an exchange rate fee.

Stay Connected: A secure way to maintain your emergency contact information is to visit our website, www.travel.state.gov or <https://travelregistration.state.gov/ibrs/ui/> and enroll with the Smart Traveler Enrollment Program. Your information is stored securely and enables the Department of State, U.S. embassy, or consulate to contact you, your family, or your friends in an emergency according to your wishes.

Pharmacies and Medications: If you routinely take prescription medication, be sure to include an ample supply for your trip, and adjust your medication schedule as you cross time zones. Carry a letter from your doctor describing your conditions and the medication you require. To avoid problems at customs or immigration, keep medications in their original, labeled containers. Please be sure to ask your physician and pharmacist for the generic or chemical name of your medication. Drug names differ in many countries, and pharmacists and physicians abroad are more likely to be familiar with this name. Check with the Embassy or Consulate of the country you plan to visit to ensure that your medications are not considered illegal substances under local laws ■

Report of Foreign Bank and Financial Accounts (FBAR)

If you have a financial interest in or signature authority over a foreign financial account, including a bank account, brokerage account, mutual fund, trust, or other type of foreign financial account, the Bank Secrecy Act may require you to report the account yearly to the Internal Revenue Service by filing Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts (FBAR).



Recent FBAR Guidance

On February 24, 2011, the Treasury Department published [final regulations](#) amending the FBAR regulations. These regulations became effective March 28, 2011, and apply to FBARs required to be filed with respect to foreign financial accounts maintained in calendar year 2010 and for FBARs required to be filed with respect to all subsequent calendar years. The [FBAR form and instructions](#) have been revised to reflect the amendments made by the final regulations.

Who Must File an FBAR

United States persons are required to file an FBAR if:

1. The United States person had a financial interest in or signature authority over at least one financial account located outside of the United States; and
2. The aggregate value of all foreign financial accounts exceeded \$10,000 at any time during the calendar year to be reported.

United States person means United States citizens; United

States residents; entities, including but not limited to, corporations, partnerships, or limited liability companies created or organized in the United States or under the laws of the United States; and trusts or estates formed under the laws of the United States.

Exceptions to the Reporting Requirement

1 Exceptions to the FBAR reporting requirements can be found in the FBAR instructions. There are filing exceptions for the following United States persons or foreign financial accounts:

1. Certain foreign financial accounts jointly owned by spouses;
2. United States persons included in a consolidated FBAR;
3. Correspondent/nostro accounts;
4. Foreign financial accounts owned by a governmental entity;
5. Foreign financial accounts owned by an international financial institution;

6. IRA owners and beneficiaries;

7. Participants in and beneficiaries of tax-qualified retirement plans;

8. Certain individuals with signature authority over but no financial interest in a foreign financial account;

9. Trust beneficiaries; and

10. Foreign financial accounts maintained on a United States military banking facility.

11. Look to the FBAR instructions to determine eligibility for an exception and to review exception requirements.

FBAR Assistance

Help in completing [Form TD F 90-22.1](#) (PDF) is available Monday - Friday, 8 a.m. to 4:30 p.m. Eastern time, at 866-270-0733 (toll-free inside the U.S.) or 313-234-6146 (not toll-free, for callers outside the U.S.). The form is available online at www.irs.gov and [Financial Crimes Enforcement Network Web site](#) or by telephone at 800-829-3676. Questions regarding the FBAR can be sent to FBARquestions@irs.gov

Need BLOOD?



Blood Donation: Rh Negative

The blood banks at the Makati Medical Center (Tel# 02-888-8999) and St. Luke's Medical Center (02-789-7700), both located in Metro Manila, maintain lists of possible donors of Rh Negative blood. In addition, the American Association of the Philippines (AAP) maintains a similar list of possible donors.

The AAP RH negative Blood Program is a volunteer "walk-in" donor list to meet the need for this rare blood type. AAP is still endeavoring to help the community in this need and is asking those who have this rare blood

type to please do themselves and the community service and register with the AAP office...the life you save may be your own!

If AAP is unable to source from their volunteers, they coordinate with other sources such as Philippine Red Cross, Lung Center's Clearing House, and blood banks in hospitals in Metro Manila. AAP also endeavors to network with other community organizations. But the "pool" is indeed very small - and few Filipinos have negative blood, hence the need to join the volunteer listing.

AAP primarily responds in emergency cases by contacting those volunteer donors on its list - and asking them to report to a given

"collection" point to donate blood. We request that donors DO NOT give their names; only give the name of the patient for whom they are donating - in an effort to protect donor's anonymity; to guard them against direct calls from those seeking blood in any future case. There is no charge for the blood from AAP volunteer donors, but any testing and transport of the blood must be borne by the patient.

FOR BLOOD REQUESTS or DONATIONS, AAP can be contacted at (02) 892-5198 during normal working hours. For more information visit their website at http://www.americanassociationphilippines.org/blood_program.htm.



**To our valued citizens in ANGELES and OLONGAPO,
WE HAVE HEARD YOU!**

Your suggestions to move to an appointment system for ACS services during outreach activities in the cities of Angeles and Olongapo is a wonderful idea. This new system will cut down on the time you spend waiting and will allow us to serve you better.

Information about the new system will be made available to you by May 2012. Please check our website, manila.usembassy.gov, after May 1 for further information on the appointment system that will be used during the next outreach (dates not yet scheduled).